GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA

UNSTARRED QUESTION NO:2063
ANSWERED ON:05.05.2016
Privatisation of Airports
Somaiya Dr. Kirit

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether the GVK came out with the proposal of disposing of major part of its share in Mumbai and Bengaluru airports to private parties;

(b) if so, the details thereof;

(c) whether they have also disposed of 33% of such shares to private parties;

(d) if so, the details about the representations, media news and intimation by GVK to stock exchange on the above issue and the provisions in the MoU; and

(e) the steps taken by the Government in this issue?

Answer

Minister of State in the Ministry of CIVIL AVIATION
(Dr Mahesh Sharma)

(a) to (c): Government of India or Airports Authority of India have not received any proposal from Mumbai International Airport Limited/GVK regarding disinvestment of stake of GVK at Mumbai airport. As regards Kempegowda International Airport, Bengaluru, GVK has executed a Share Purchase Agreement on 28th March, 2016 for sale of its 33% stake in Bangalore International Airport Limited (BIAL) to FIH Mauritius Investments Ltd. and Fairfax India Holdings Corporation. Transfer of stake of GVK is subject to necessary consents/approvals as may be required including from the lenders and after following the process in the Shareholders Agreement.

(d) & (e): GVK has intimated the above transaction to the Bombay Stock Exchange and National Stock Exchange on 28.03.2016. Besides media reports, Government has received representations from Dr. Kirit Somaiya, MP raising issues related to the deal by GVK, which are under examination.